

The Senate of West Virginia
Charleston

JOHN R. UNGER II
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March 5, 2019

Governor Jim Justice
State Capitol
1900 Kanawha Boulevard East
Charleston, WV 25305

Governor Justice:

On February 28, 2018, you signed Executive Order no. 6-18, establishing the Task Force on Public Employees Insurance Agency Stability. The overall goal of the Task Force through review, study and assessment of the state of PEIA, and to offer a report of its findings and recommendations to the Governor and the Joint Committee on Government and Finance prior to the December 2018 legislative interim meetings. In any event, the report was required to be finalized prior to the PEIA 2020 Fiscal Year Plan rollout.

Among the study topics mandated by the executive order were:

- The current insurance plan provided to employees
- The premiums paid by employees and their families
- The current state of plan coverage, reductions, exclusions, expansions and medical costs
- Control and reduce medical costs
- Market analysis and trends of coverage
- Economics found through efficiencies
- Anything else the Task Force deems necessary to provide a thorough evaluation to provide a thorough evaluation in preparation of its report.

Task force meetings and dissemination of information from the Task Force have been scarce and sporadic since September 2018. The Task Force did release a list of recommendations in December, but also stated their work would continue; no finalized report was submitted. PEIA Plan rollout for FY2020 commenced in December as well.

Furthermore, during a press conference October 2, 2018, you announced plans to commit \$100 million to a long-term solution fund for the Public Employees Insurance Agency, creating what has since been dubbed "the PEIA Rainy Day Fund" by the legislature. As the end of the session nears, the legislation required to legally create this stability fund has not been approved by the legislature, despite the presence in your press conference of most of the Senate Republicans, including nearly all the current leadership.

Governor Jim Justice
March 5, 2019

Also announced in that same October press conference was an agreement with the legislative leadership to provide another five percent pay increase in 2019 for teachers, school service personnel, state police and other state employees. The group of Republican legislators described above actively expressed their approval of your announced pay increases. Notably absent in that announcement was a requirement for the passage of any other proposed legislation before the pay increases could be implemented.

A significant theme of the press conference seemed to be that you and the Republicans in the legislature had followed through and kept the promises made to the people of the state. With the 2019 session set to close March 9, it is becoming increasingly unlikely that a similar declaration will be possible this year.

I urge you to take any action possible to fulfill your promises to the state's underappreciated teachers, school personnel, state police and workforce, to increase their pay and properly fund their benefits, including the Public Employees Insurance Agency.

Should you or your staff wish to discuss my concerns in detail, contact me at john.unger@wvsenate.gov, 304-357-7933, or 304-389-1866.

Sincerely,



Senator John R. Unger II
16th State Senatorial District